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November 4, 2022

### **VIA ELECTRONIC FILING**

The Honorable Jocelyn Boyd Chief Clerk/Executive Director Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

Re: Forum for Scheduling the IRP Proceedings, Dockets No. 2005-83-A and 2022-162-E

Dear Ms. Boyd:

I am writing on behalf of Dominion Energy South Carolina, Inc. ("DESC") concerning the forum to discuss integrated resource planning ("IRP") proceedings to be held on November 15, 2022, in Dockets No. 2005-83-A and 2022-162-E. In setting the schedule for DESC's 2022 IRP Update (Docket No. 2022-9-E), the Public Service Commission of South Carolina (the "Commission") "move[d] that the Chief Clerk evaluate and define the procedural process for the next cycle of IRPs starting with the comprehensive 2023 IRPs for each regulated utility." Order No. 2022-698. By notice dated October 17, 2022, the clerk's office noticed this topic for consideration in a forum. DESC hereby gives notice that it will participate in that forum and files these comments for consideration by the Chief Clerk.

#### The Schedule Anomaly

In explaining the motion giving rise to this forum, Commissioner Carolee Williams referenced the "conundrum" that DESC will file its 2023 IRP before the Office of Regulatory Staff will have completed the review of DESC's 2022 IRP Update and before the Commission will rule on the sufficiency of the filing. Specifically, ORS's comments on the 2022 IRP Update are due twenty-one days after the 2023 IRP will be filed on January 30, 2022.

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This anomaly, however, need not disrupt the 2023 IRP process nor does it prejudice the rights of any party. Parties raise concerns in regular and on-going IRP stakeholder advisory processes which in this case are supplemented by the stakeholder processes for the Coal Plants Retirement Study, the 2023 Demand Side Management (DSM) Potential Study and the RFP for combustion turbine ("CT") replacement capacity. In addition, stakeholders can raise any unresolved concerns or suggestions about the structure and methodology of the 2023 IRP when it is before the Commission for review and approval in the contested-case docket to be opened for that purpose.

Deferring forward-looking concerns about the IRP process and methodology from update dockets to triennial IRP proceedings is entirely consistent with intent of the General Assembly as shown in the structure of S.C. Code Ann. § 58-34-40 (the "IRP Statute"). Annual update filings are proceedings of limited scope intended to update "base planning assumptions" used in previously approved IRPs. See S.C. Code Ann. § 58-34-40(D)(1). The IRP Statute makes no provision for discovery or hearings in annual update proceedings and so they do not create an evidentiary record on which major changes to IRP methodologies or inputs can be properly evaluated. The IRP Statute envisions that the only record before the Commission in an update proceeding will be the IRP update itself and a report from the Office of Regulatory Staff ("ORS") assessing it against statutory requirements. *Id.* The Commission's decision on an update is properly limited to these items as reflected in the Commission's recent order accepting DESC's 2021 IRP update. See Order No. 2022-713.

By contrast, in triennial IRP proceedings the IRP Statute provides parties with express rights to discovery and a full evidentiary hearing with live witnesses and cross examination. This creates an appropriate context and record for considering challenges to the structure, methodology or input into an IRP. See S.C. Code Ann. § 58-37-40(C)(1).

#### **Avoiding Schedule Anomalies Going Forward**

As Commissioner Caston intimated in the discussion concerning Order No. 2022-698, the IRP Statute itself provides a clear path for preventing future scheduling anomalies. The appropriate way to ensure proper scheduling, both practically and under the terms of the IRP Statute, is to limit annual IRP update proceedings to the specific matters updated as reported by the utility and ORS. This will allow the Commission, the utilities, ORS and the intervenors to focus their time and attention on the triennial IRP filings and not be caught in a continuous loop of considering or reconsidering structural changes to the IRP process with each annual filing. If limited to its proper scope, an update proceeding can routinely be concluded within approximately four months of filing.

So long as the Commission rules on triennial IRP filings within the 300-day statutory window, there will be no overlap between IRP proceedings and subsequent IRP updates.

## An Appropriate Schedule for DESC's 2023 IRP

DESC has agreed to file its 2023 IRP on January 30, 2022. The Commission has set the hearing 210 days later, on August 28, 2023. ORS has indicated that it needs 120 days to review the filing before issuing a report and filing testimony, and prefiling dates can be established accordingly. On October 28, 2022, the Commission Staff issued a proposed schedule in Docket 2022-9-E as follows:

Astion	Duo Data	Days Elapsed	Days Elapsed from Prior
Action	Due Date	from Filing	Due Date
2023 IRP Filed with			
Commission	Monday, January 30, 2023		
DESC's Testimony	Monday, May 8, 2023	98	98
ORS Report and Direct			
Prefiled Testimony	Monday, June 12, 2023	133	35
DESC Rebuttal Prefiled			
Testimony	Friday, July 14, 2023	165	32
Surrebuttal Testimony if			
Required	Monday, August 14, 2023	196	31
Hearing	Monday, August 28, 2023	210	14
Order (assumed)	Monday, October 2, 2023	245	35

This proposed schedule allows the ORS the time it needs to review DESC's 2023 IRP and a reasonable time for the parties to prefile testimony. Assuming that an order can be issued by the beginning of October, which is approximately thirty days after the close of the hearing, this schedule allows the IRP proceeding to be completed in approximately eight months, compared to fifteen months for the 2020 IRP and eleven months for the 2022 IRP Update. This eight-month schedule makes it possible to conclude the 2023 IRP in time to allow the orderly preparation of the 2024 IRP Update to begin in October of 2023, which is consistent with the time required for that work.

DESC does not have any objection to the Commission Staff's proposed schedule. However, ORS has presented DESC with a different schedule that the Company understands ORS will present to the Commission Staff for consideration. Below is the schedule that ORS presented to DESC.

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Action	Due Date	Days Elapsed from Filing	Days Elapsed from Prior Due Date
2023 IRP Filed with Commission	Monday, January 30, 2023		
DESC's Testimony	Tuesday, April 4, 2023	64	64
ORS Report and Direct Prefiled Testimony	Tuesday, June 27, 2023	148	84
DESC Rebuttal Prefiled Testimony	Tuesday, July 25, 2023	176	28
Surrebuttal Testimony if Required	Tuesday, August 15, 2023	197	21
Hearing	Monday, August 28, 2023	210	13
Order (assumed)	Friday, November 24, 2023	298	88

Please be advised that DESC does not have any objection to the Commission adopting ORS's proposed schedule.

### **Near-Term Modeling Necessities and Long-Term Planning Improvements**

DESC's 2020 IRP was the first IRP reviewed under Act No. 62 of 2019 and the Commission found that extensive modifications were required, including multiple new analyses and components to be filed in a Modified 2020 IRP. The resulting proceedings took over fifteen months. Those changes have now been implemented. DESC does not believe that the same degree of modification will be required in future IRPs. Nonetheless, to minimize delay and disruption, DESC would respectfully request that in this, and future IRPs, the Commission limit required modifications to those that are material to the decisions that must be made in the three-year period during which that IRP is operative. Other forward-looking improvements and additions can be implemented in future IRPs without delaying the work on the present IRP in a way that can be disruptive.

As the Commission learned in its 2020 IRP training workshop, the appropriate focus of an IRP is on (a) ensuring that current planning properly informs the decisions that the utility must make within the three-year period that the IRP is in place, while also (b) ensuring that the utility is continually improving its planning methodology and inputs to support future planning needs. Changes that relate to the first goal may need to be addressed immediately through modifications to the IRP under review. Changes related to the second goal can often be deferred and implemented in a future IRP. As with many things, the perfect is often the enemy of the good. It will be less disruptive to the IRP process and more efficient long term to limit changes that must be submitted in a modified IRP to those necessary to support near-term decision making.

## **The Operational Update Timing**

In 2020, the Commission added a requirement that each DESC IRP include an update on utility operations and storm data. This data is typically collected and reported on a calendar year basis and DESC has agreed to file its IRP on January 30, 2023. DESC intends to include calendar year 2022 operational and storm data in the 2023 IRP. If this proves not to be practical, DESC will report partial-year or past-year data as required and will update that data in future filings.

To avoid this problem going forward, DESC would suggest that its future IRP filings be moved to March 30<sup>th</sup> of each year, or alternatively that the operational report be split off from the IRP and filed as an informational filing separately by March 30<sup>th</sup> of each year. The IRP Statute does not require the operational report to be part of the IRP filing.

#### **Specific Recommendations**

In sum, there are several specific things that the Commission can do to ensure that the IRP process remains workable:

- 1. Recognize that the IRP updates are not meant to be a full re-appraisal of the triennial IRP but an update of an existing modeling to reflect changes in base assumptions. The IRP Statute intends for the Commission to review IRP updates based on the utility's filing and the ORS report. If update proceedings are limited to the defined statutory scope and procedure, then the Commission can conclude updates within approximately four months. Adding extra proceedings beyond the scope of the IRP Statute such as stakeholders' presentations or a hearing can easily extend the proceeding to a degree that would be disruptive to preparation of subsequent IRPs and IRP updates and result in a misallocation of time and resources for all parties.
- 2. Take a long-term view about the implementation of changes to the IRP process. DESC has continued to review and upgrade its planning and stakeholder processes and does not believe that future filings will require the level of revision that the Commission ordered in 2020. However, to the extent that forward-looking revisions are required, and to the degree that they can be implemented in future IRPs without compromising the effectiveness of the planning process, the Commission should consider doing so. Also, to the extent that modification can be documented through supplemental filings and not in a revised and restated IRP, that will also streamline the process.
- 3. Separate the operational update from the IRP. Either DESC's future IRP filings should be moved to March 30<sup>th</sup> of each year, or alternatively the operational report should be split off from the IRP and filed separately as an informational report no earlier than March 30<sup>th</sup> of each year.

DESC thanks the Commission for seeking comments from the parties regarding an appropriate procedural template for IRP matters and recognizing the valuable role that Commission staff plays in coordinating procedural dialogue with the parties to IRP proceedings.

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Please contact me if you have any concerns or questions concerning this filing.

Respectfully submitted,

/s/Belton T. Zeigler

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cc: All counsel of record by electronic service